

MONDAY SPORTS NCAA BASKETBALL Page 13

Herald INTERNATIONAL Tribune



Table with subscription rates for various countries including Australia, Canada, Europe, etc.

No. 33,929 14/92

Published With The New York Times and The Washington Post PARIS, MONDAY, MARCH 30, 1992

ESTABLISHED 1887

After Maastricht, a Rudderless Europe Finds Itself in a Slump

By Craig R. Whitney
LONDON — After nearly three years of epochal change and grand visions of the future, the European Community, much like the United States, is bogged down in the mundane realities of recession and parochial politics.

European Union in Maastricht, the Netherlands, a little over three months ago would all probably agree on now. At Maastricht, they decided in principle to create "an ever closer union among the peoples of Europe" by introducing a common currency as early as 1997, making more foreign policy decisions together, and eliminating most internal border controls in the barrier-free market that they plan to complete by the end of this year.

with clan toward ever greater economic and political union, Europe is in a slump. Chancellor Helmut Kohl of Germany might have been the man to lead the way out of the crisis, but he and his country have been too preoccupied with the political and economic difficulties of German unification to do that. One way or another, however, Germany seems fated to define Europe's destiny, which would be much diminished if the Germans decided to go it alone.

relations among the member states, a principle agreed to in the "social chapter" of the treaty by all of them except Britain. But since then, many Germans have become increasingly worried not only about how to pay for unification, but also about how to be asked to pay to keep Russia, Ukraine and the rest from utter collapse. They fear that it will be them, and that they cannot afford it.

His strategic vision for Europe, if there is one, is apparently to seek German cooperation in a new European military capability that would shoulder the United States, politically and militarily, out of its strategic position in Europe. Britain has always resisted this strongly, and under Prime Minister John Major and his predecessor, Margaret Thatcher, it also put a brake on any attempt by the other Europeans

NEWS ANALYSIS

See EUROPE, Page 6

Labor in Charge on April 10? A 50-50 Chance for the New Neil Kinnock

By Glenn Frankel
LONDON — Neil Kinnock was navigating his way through a typically stormy press conference on his Labor Party's economic policy last week when he paused to offer these words of mocking reassurance: "There's nothing to be afraid of, boys. It's all right."

day newspapers, but the message remained that the national election was headed for a photo-finish on April 9. The Associated Press reported from London. The overall picture showed that Labor support was dropping slightly and that the Conservatives were edging upwards, but the results were so close that the margins of error blurred the distinctions.

Some may fear that once in power, Labor would "nip into the nearest kiosk, tear off our trench coats and bare our chest with an 'S' (for Socialism) on it," Mr. Kinnock told a meeting of business officials in London. But such a move, he insisted, "would guarantee the extermination of the Labor Party as a serious political force."

From the start, the axis of the European Community has been French-German cooperation, but Franco's president, François Mitterrand, has been thrown seriously off stride. He and his Socialist Party are deeply unpopular after more than a decade in office.

See BRITAIN, Page 6

Socialists Lose Again in France

By William Drozdiak
PARIS — France's battered Socialist government suffered its second electoral defeat in a week as voters Sunday showed a clear preference for conservative candidates in the final round of local elections.

"We have to learn our lessons fast," said Mr. Fabius. "Both the Socialist Party and the government must hear the message of the French voter."

See FRANCE, Page 6



GOING HOME — A Cambodian woman preparing Sunday to return home from a camp in Thailand, where 375,000 refugees are to be repatriated. Cambodia, meanwhile, announced an offensive against the Khmer Rouge. Page 6.

Levy Quits Israeli Post In Quarrel With Likud

Foreign Minister Assaults Party for Campaigning Against U.S. Policies

By Jackson Diehl
JERUSALEM — Foreign Minister David Levy announced his resignation on Sunday night, signaling a growing internal feud within the governing Likud Party of Prime Minister Yitzhak Shamir.

President Bush says that Washington 'can do better' in its relations with Israel. Page 2.

supporters within the government of the U.S.-backed Middle East peace process. In an hour-long speech to supporters Sunday in the coastal town of Herzliya, he attacked other Likud leaders for campaigning against the United States.

See ISRAEL, Page 2

Clinton Tried Marijuana as a Student, He Says

WASHINGTON — Governor Bill Clinton of Arkansas, the front-runner for the Democratic presidential nomination, said Sunday that he briefly experimented with marijuana while a student in England more than 20 years ago.

See BAKER, Page 2

Baker to Bush's Rescue? Reluctantly, if at All

By Maureen Dowd and Thomas L. Friedman
WASHINGTON — George Bush, Jim Baker and Pat Buchanan are in a rowboat that sinks. Who gets saved? The answer to the joke, now making the rounds in Washington, is: Israel.

France Arrests ETA's Leader

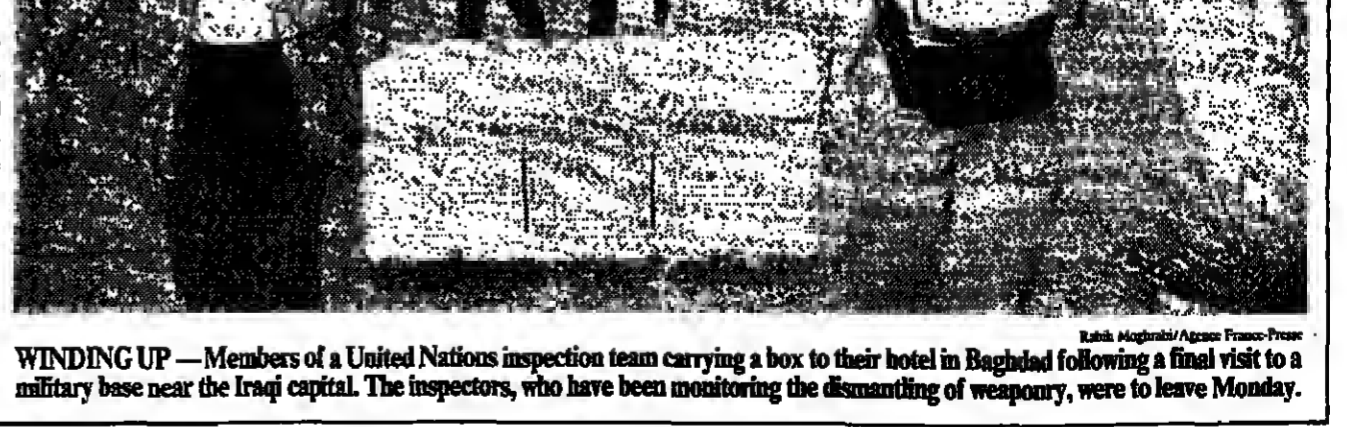
PARIS (AP) — French authorities said they had dealt a crippling blow to ETA, the Basque separatist movement, by capturing its leader, Francisco Mugica Garmendia, 39, and two senior aides at Bayonne, in France's Basque region, on Sunday. Interior Minister Philippe Marchand said the arrests came at a time of mounting concern about possible attacks during the Barcelona Olympics this summer.

New Chernobyl Threat: Drugs

By Joseph Fitchett
PARIS — Opium and marijuana are being grown in radioactive soil around Chernobyl, according to two private drug-monitoring groups.

The Foreign Legion's East European Bumper Crop

AUBAGNE, France — The Foreign Legion, that legendary band of mercenaries founded by King Louis Philippe in 1831 to resolve a domestic immigration problem and ensure the conquest of Algeria, has thrived in times of historic upheaval.



WINDING UP — Members of a United Nations inspection team carrying a box to their hotel in Baghdad following a final visit to a military base near the Iraqi capital. The inspectors, who have been monitoring the dismantling of weaponry, were to leave Monday.

General News
Nuclear reactors in the former Soviet Union pose a grave threat, experts say. Page 2.

Business/Finance
The Bundesbank indicates German interest rates are likely to remain high. Page 7.

News Analysis
a master at saving himself from getting drawn into distasteful political situations, even those involving his old friend George Bush.

Clinton Tried Marijuana as a Student, He Says
Possession of marijuana is illegal in Britain; Mr. Clinton was a Rhodes scholar at Oxford from 1968 to 1970.

France Arrests ETA's Leader
Nuclear reactors in the former Soviet Union pose a grave threat, experts say. Page 2.

New Chernobyl Threat: Drugs
United Nations and Western law enforcement officials said the situation pointed up risks that have emerged in the anarchy that followed the collapse of central government.

The Foreign Legion's East European Bumper Crop

Asians fleeing German occupation, Spaniards driven from their homeland by civil war and Indochinese "boat people" have, during different eras, taken refuge here and embarked on new lives through

mass enlistments in the unique French fighting force. But since the Berlin Wall tumbled a little over two years ago, Foreign Legion officers say they have never seen anything like the surge of recruits now coming from Eastern Europe.

Romanians now account for nearly half of the 1,500 recruits annually entering the 8,500-man force, whose officer corps is almost entirely French. Moreover, the Legion is bracing for another, even larger wave of volunteers from Russia, Belarus, Ukraine and other former Soviet republics.

See LEGION, Page 6

flow from the 30-kilometer-wide (19-mile) no-man's-land around Chernobyl, specialists said that the situation pointed up risks that have emerged in the anarchy that followed the collapse of central government.

See DRUGS, Page 6

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Whom Does Kohl Please?

On the very day France was marking the 50th anniversary of the first deportation of more than 70,000 Jews by sealed railway cattle cars to Nazi death camps...

prerogative. But surely the chancellor knows it is also the right of others to ask why he wishes, in the face of Mr. Waldheim's war record, to make him respectable again...

Open Skies, at Last

From Vancouver to Vladivostok, the skies will soon be open to surveillance flights by once hostile neighbors. That is the result of an overdue but welcome agreement signed by two dozen countries last Tuesday...

forward by President Dwight Eisenhower in 1955, in hopes of transforming superpower hostility into trust. But the climate of the Cold War proved too forbidding...

Focus on Kurds in Iraq

What to do about the Kurds, a separate Muslim people with a distinct language and of a number (20 million) and cohesive tradition that has won many others statehood?

cal organization — elections are planned for April 3 — should be encouraged. Embarrassing as it is to Turks and their friends in Washington and elsewhere...

Buy Russian Technology

This time the White House made up its mind quickly. Nudged by Ronald Reagan among others, it abruptly ended the debate and announced that the government would import Russian technology for the U.S. space program...

Russia, Ukraine and the other new republics are going to need much aid. But no kind of aid is going to be more important to them than access to Western markets and money...

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairmen LEE W. HUEBNER, Publisher

The French Have Good Reasons to Be Feeling Glum

By Brian Beedham

LONDON — It is not easy to be French these days. What is wrong in France is not just an attack of anti-immigrant bad temper...

on the willingness of the European Community to expose its farmers to more international competition. The Community will say yes, provided France agrees...

will probably make it impossible for the democracies that won the Cold War to collaborate in building a sensible new world order.

of Alexander Calder's mobiles, and the end of the Cold War has clunked a hammer through it.

Item three, you might say, the psychological side of this stern realpolitik. For much of the past 40 years, France has relished being the Country That Had To Be Courted.

The British May Have to Go Through It All Twice

By Anthony Lewis

LONDON — It is a Hobbesian election campaign here: nasty, brutish and short. It has produced acres of invective and little by way of affirmative reason to vote for anyone...

Neil Kinnock, the Labor leader, has done a remarkable job in removing the extreme left from any significant role in the party.

said, the Tory government had starved the National Health Service. The girl's name, Jennifer Bennett, was not used in the broadcast but somehow got to the press.

Germany has discovered that unification is a painful and expensive business, but it knows that the rebuilding of East Germany will succeed...

Britain is having the worst recession of all; but it knows that it remains its intangible link to America, and its ability to distance itself from what happens on the other side of the Channel.

America: The Would-Be Third Man Fears 'Economic Calamity'

By H. Ross Perot

WASHINGTON — America today is a nation in crisis with a government in gridlock. We watch daily as Congress and the White House finger-point, shout and fight with one another...

Mr. Perot, the Texas entrepreneur, has encouraged supporters to get his name on the presidential ballot in November as a third-party candidate.

The American government can help by putting an end to its adversarial relationship with American business. Germany and Japan, economic superpowers, each have an intelligent, supportive relationship between government and business.

inner tube covered with patches; more patches will not solve the problem. We must, as a nation, learn to think 10 years ahead, not 10 minutes ahead.

No one person can solve the problems we face. We have to stay involved and informed, each one of us as an active shaper of the American future.

Other Comment

If Americans Want Change

In the polls, Bill Clinton lags badly behind George Bush on trustworthiness but outrages him on capacity to deal with the economy.

the governing Democratic Liberal Party may cling to a bare majority in the assembly after persuading several independents to join them.

South Korea: In Search of a Democratic Manager

By Donald Kirk

SEOUL — The National Assembly elections in South Korea last Tuesday revealed disenchantment with the government of President Roh Tae Woo...

The real spoiler role, though, could go to Chung Ju Young, a billionaire businessman and founder of the Hyundai empire, the largest industrial conglomerate in South Korea.

high marks for trying to bring about rapprochement on the peninsula. But the issue that counts in the South these days is not relations with the North...

The writer, who is preparing a book about Korean business, contributed this comment to the International Herald Tribune.

the "brilliant" retreat of Hindenburg will probably continue, for it is difficult to believe that the enemy would voluntarily abandon such favorable positions in the difficult region of Saint-Gobain...

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Ramadan Begins

CAIRO — On the stroke of midnight the cannon of the Citadel announced the commencement of Ramadan. During the next month official business will be practically at a standstill...

1917: Signs of a Retreat

LONDON — The "Times" comments as follows on the German retreat: The French progress between the Aisne and the Oise indicates that

1942: A Fog Screen?

NEW YORK — [From our New York edition:] Mayor F. H. LaGuardia, disclosing a hint for an artificial vapor capable of screening the city from enemy bombers, announced yesterday that a new method of producing synthetic fog would be tested this morning (March 30) in the Navy Yard district of Brooklyn.

Handwritten signature: JAYI 101520

OPINION

Modest Help for More Than Just the Russians

By Henry Kissinger

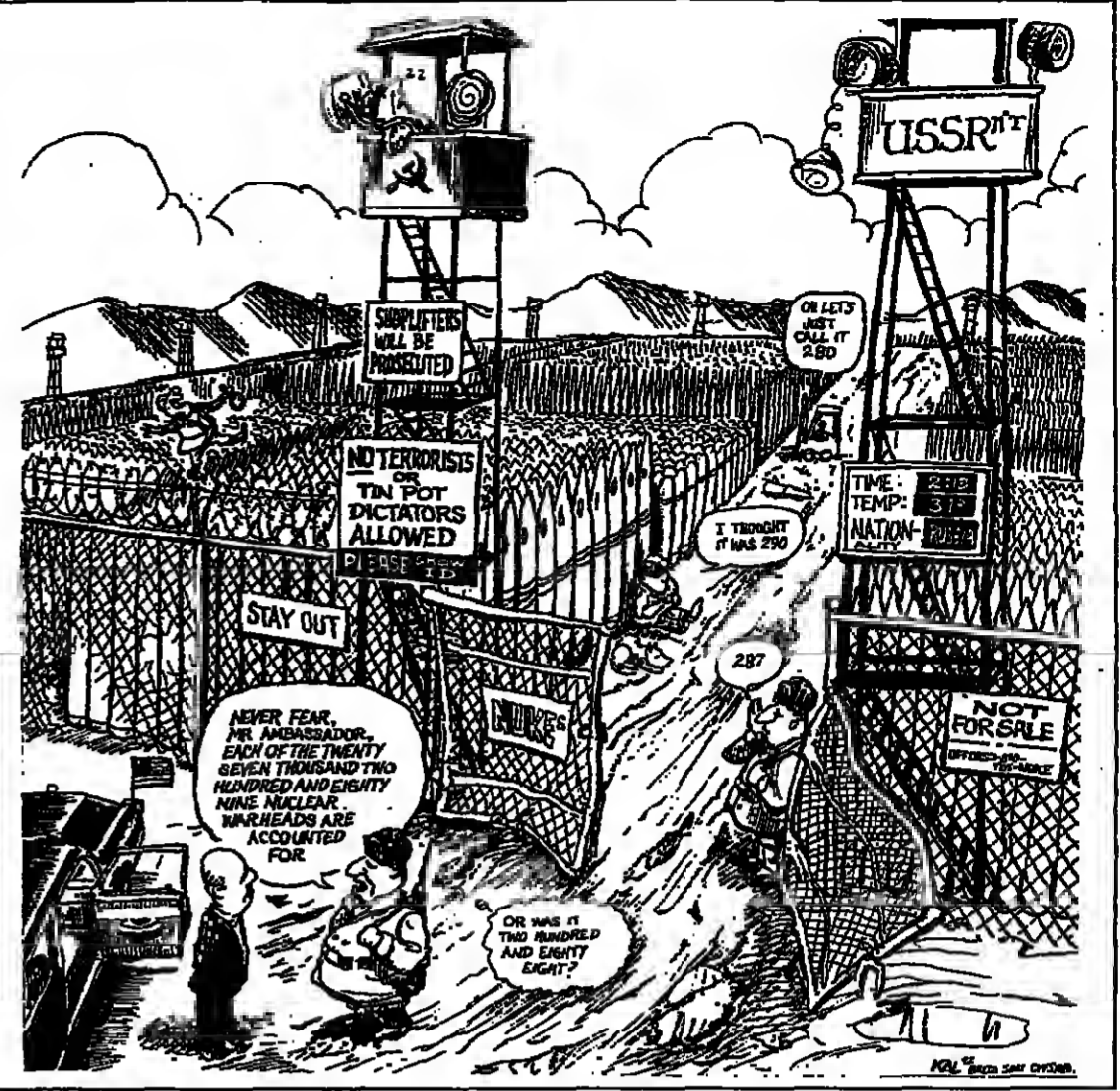
NEW YORK — Less than nine months after being told that it would take a five-year program of \$30 billion annually to save Mikhail Gorbachev and the future of democracy in the Soviet Union, we now hear that a similar program of \$20 billion a year is needed to save Boris Yeltsin and democracy in the former Soviet Union.

and would still lack the human resources available to East Germany. The democracies have neither the resources nor the domestic support for anything like this magnitude of aid. They must concentrate on humanitarian and technical assistance in critical sectors like agriculture and transportation that can never do more than supplement indigenous programs that encourage local savings and foreign private investment.

A Russia that renounced domination would thereby end the causes of conflict with the United States. It could become a global partner.

said to be democratic in any Western sense. The presidents of the successor states, including Boris Yeltsin, are all former Communist cadres — with the exception of President Stanislav Shushkevich in Belarus. They are elected, and that is a great step forward. Most are ostensibly anti-Communist, but they represent a unique political system: without established political parties, effective parliaments or constitutions. Calling these former apparatchiks governing by decree "democratic" is a courtesy and a hope, not a description of reality.

Given the barren democratic soil, we must avoid the temptation of oversteering — to the Western public and to the Russian people — the likelihood that such aid will produce democracy (although that, of course, would be America's hope). For when it becomes clear that it does not, an unfortunate train of events could be set in motion.



A United States of Eurasia Would Take Awhile

SIX YEARS passed between the signing of Cornwallis and ratification of the U.S. Constitution. Another three were needed for the Bill of Rights. Revising constitutions of the constituent states took another generation, and the Union was not finally validated until 1865.

Here is a difference that makes the healing of wounds and discovery of new structures more painful by far. There may never again be a unified government covering the territory of the U.S.S.R. Still, the American model can project a few warnings. The first counsel: patience. It will be years and not months before the republics can define and arrange their mutual interests.

operation. Although much has changed since Americans fought to preserve their union, the basic facts of economic viability may not be all that different. At this moment, the most useful paradigm may be the Articles of Confederation and Perpetual Union. Proposed in 1776, and eventually signed by all 13 of the original states, this document ceded only enough central authority for dealing with the emergency, while reserving to the states self-governance.

Bush's meetings with Mr. Yeltsin are described as "summits," while the, in any case rare, encounters with the presidents of the other republics are called "meetings." Such attitudes invite a replay of Russian history. Many pretexts can be invoked to re-centralize the old empire, such as unsettled borders, the protection of Russian minorities and, of course, plain, old-fashioned economic pressure, which will increase if Russia is given now to establish embassies in the other successor states.

These issues were all present in post-revolutionary America, with one great difference: the Americans' former oppressors lived across an ocean, not scattered among the successful insurgents.

As with the former American colonies, the former Soviet states may need a minimal central authority to ease hardships, allay suspicions and find full membership in the free market system.

Western countries are unwittingly encouraging this danger. Mr. Yeltsin is treated as the linear descendant of Mr. Gorbachev and of other rulers of the empire. Aid programs are presented in terms of Russia's needs. Contacts with the other republics, even one so significant as Ukraine, are formalistic and infrequent. Significantly, President George

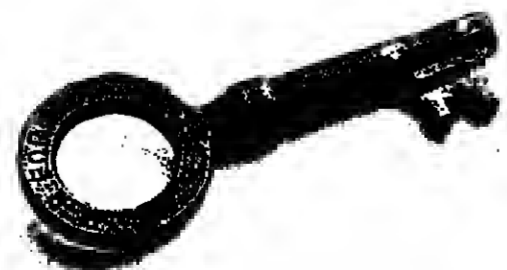
Such a political dialogue would sketch the prospects of a new set of relationships. A Russia that renounced domination would thereby end the causes of conflict with the United States; it could become a global partner. A Russia separated from Europe by Ukraine, Belarus and the Baltic states would allow a degree of cooperation with the European Community unachievable while Europe trembled before Russian arms.

Aid programs must be part of a political dialogue, especially with Russia, and they should be made dependent on the full acceptance of the implications of political sovereignty in the relations with the successor states. Considering the membership of these countries in the United Nations, this is hardly an excessive demand. The West must include the other republics in a comprehensive program and avoid any implication that Moscow is the spokesman or the chosen engine for the development of the remainder of the Soviet Union.

A number of conclusions follow: Aid must be based on a precise and realistic concept of how it serves the

U.S. national interest. Only in that way can it command support in an environment of scarce resources. Economic aid cannot be an end in itself. It should not focus on one successor state, even one as important as the Russian Republic, but be part of an overall concept encompassing all of them. It must be deployed where it can do the most good — to such fields as energy, where there is a prospect of rapid hard currency earnings, or to the improvement of transportation and agriculture. U.S. policy must not restrict its field of vision to the former Soviet Union. The principal cause of European conflicts in the past 150 years has been the existence of a no-man's-land between the German and the Russian peoples. The Atlantic nations, in their understandable fascination with the Russian Republic, must not resurrect that state of affairs or neglect the countries of Central Europe. Having proclaimed their commitment to the freedom of Eastern Europe for a generation, the industrial democracies cannot abandon these first victims of Soviet aggression. If they do, they will be creating the sources of future conflict. The eastern nations should be related to the European Community as soon as possible and get high priority in any aid program.

The key to reliability.



This is the key to the kitchen of the Tour d'Argent, where excellent cuisine has been a tradition for generations.

Critical situations occur every day in the business world. In such situations, your bank could be your company's lifeline: you have to be able to rely on it. You can rely on Swiss Bank Corporation. On our solid equity base, deep resources and excellent cash flow ratio. But also on our international commitment, decades of experience and worldwide network. That's our tradition of reliability. Take advantage of our global connections and local strength. In Basel: 41 61 288 2020, Frankfurt: 49 69 71 4010, Geneva: 41 22 375 7575, London: 44 71 711 4000, Luxembourg: 352 45 20 301, Zurich: 41 1 223 1111 and in more than 50 other major cities around the world.

Swiss Bank Corporation The key Swiss bank

WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Limited, London, Tel: 323 11 30. Prices may vary according to market conditions and other factors. March 27

Dollar Straights

Issuer Cn Mar Price Yld Spd

Governments/Supranationals

Table listing bond prices for various governments and supranationals, including Australia, Austria, Belgium, Canada, France, Germany, Italy, Japan, etc.

Main table of international bond prices, organized by country (Australia, Austria, Belgium, Canada, France, Germany, Italy, Japan, etc.) with columns for issuer, coupon, maturity, price, yield, and spread.

Table for Floating Rate Notes, listing various floating rate instruments and their market data.

Table for Deutsche Marks, listing bond prices in the German market.

Table for Dollar Zeros, listing zero-coupon bonds in the US market.

Table for Pounds, listing bond prices in the UK market.

Table for Dollars, listing various dollar-denominated bonds and instruments.

Table for Ecus, listing bond prices in the European Currency Unit market.

Table for NEW YORK (AP) listing various US and international securities, including stocks and bonds.

MUTUAL FUNDS

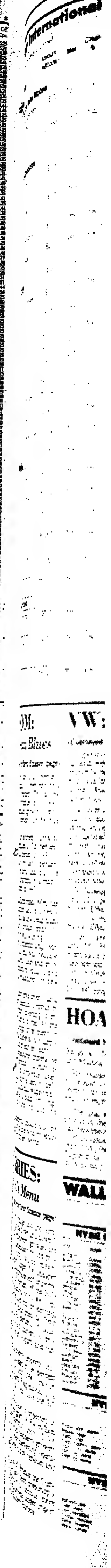
Figures as of close of trading Friday, March 27.

Table listing mutual fund performance, including fund names, assets, and returns.

Table listing mutual fund performance, including fund names, assets, and returns.

Table listing mutual fund performance, including fund names, assets, and returns.

Table listing mutual fund performance, including fund names, assets, and returns.



New International Bond Issues

Compiled by James E. Connell

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price and yield, Terms. Includes Floating Rate Notes (Daichi Kangyo Bank, Faisei) and Fixed-Coupons (Banca Giacobbe, Nacional Financiera, Oesterreichische Postsparkasse, etc.).

Brady Adds To Pressure On the Fed Over Rates

WASHINGTON — Treasury Secretary Nicholas F. Brady stepped up his pressure on the Federal Reserve on Sunday, urging the central bank to keep the money supply high enough to continue economic recovery and saying that short-term interest rates should be lower.

Prices Rise Despite Supply Concerns

Compiled by Our Staff From Dispatches

NEW YORK — Prices of U.S. government bonds climbed in volatile trading last week despite nervousness over news of large long-term corporate issues and jitters ahead of key economic reports.

The average yield on the new two-year securities was 5.85 percent, while the five-year note fetched an average yield of 6.94 percent.

The market's bellwether security, the 30-year Treasury, jumped 1/32 point on the week to end Friday at 100 21/32. The issue's yield, which moves inversely to its price, fell to 7.94 percent from 8.05 percent a week earlier.

U.S. CREDIT MARKETS

yield on the existing five-year notes dropped to 6.95 percent from 7.10, as the price rose 1/4 of 32, to 99 23/32.

price a \$1 billion bond issue in early April. William F. Malec, TVA's chief financial officer, said the proposed offering would provide long-term financing for TVA's power program.

Analysts said speculation about this week's economic reports raised worries that a strong recovery is in the making, fanning fears of inflation.

Wall Street Getting Queasy About Earnings

Compiled by Our Staff From Dispatches

NEW YORK — Unpleasant news about corporate earnings has abruptly taken center stage on Wall Street, and stock prices will face pressure from any additional announcements this week, analysts said.

posite index fell 19.61, to 604.67.

The Dow Jones industrial average fell 36.23, to 3,231.44. Friday. The slide was fueled by Household International's statement that first-quarter earnings will be far below analysts' estimates.

granted a great deal as far as earnings go. "Stocks have over-discounted the good news and they're set up to fall," Mr. Metz said.

GLOOM: European Blues

(Continued from first finance page) 1992 was revised up to 2.1 percent from an original 1.8 percent and after 1991's 1.6 percent. This acceleration will continue into 1993, when consumption growth is estimated at 2.6 percent, Le Monde said.

VW: Audi Chief to Head Europe's Leading Automaker

(Continued from first finance page) Competition within Europe is brutal and when the European Community's barriers to Japanese imports are lowered in 1997 it will get worse. And Volkswagen still has the worst cost structure in Europe.

about 126,000 production workers in its six German plants. The skill Mr. Piché demonstrated in handling development, production and finances at Audi, which he joined in 1972 and has headed since 1988, is believed to have been a key factor behind his selection.

Those qualities will be needed. While Volkswagen's share of the European market rose to around 17 percent from 13 percent when Mr. Hahn became chairman in November 1981, its costs have remained high, particularly for labor.

BERRIES: On EC's Menu

(Continued from first finance page) ficial. "The tonnage and the acreage are just going down and down." Scotland's raspberry growers are particularly dependent on the processing industry, which makes them an easy target for cheaper frozen or "semiprocessed" imports.

HOARE: Management Buyout

(Continued from first finance page) Bangkok, Jakarta, Taipei, Seoul and Manila. Mr. Hargreaves said the company would continue to expand its operations in the region and may bring in more equity partners.

chased a note giving it the right to subscribe to up to 9 percent of Guoco's equity. Guoco's largest shareholder is Hong Leung, a manufacturing and finance conglomerate controlled by the Quek family of Malaysia, followed by the Kuwait Investment Office.

The London-based Kuwait Investment Office manages a large portion of Kuwait's foreign assets. Since the Gulf War, however, little activity by the office has been reported.

WALL STREET REVIEW

Table with columns: NYSE Most Active, AMEX Most Active, NYSE Sales, AMEX Sales, NYSE Diaries, AMEX Diaries. Includes sub-tables for Eurobond Yields, Weekly Sales, Labor Rates, U.S. Treasury Bonds, U.S. Consumer Rates.

New York Move Stings Quebec Power Project

By Clyde H. Farnsworth

NEW YORK — New York State's cancellation of a \$12 billion, 20-year contract to buy power from Quebec has struck perhaps the fatal blow to one of the biggest and most controversial efforts to exploit the Canadian province's vast water resources for energy.

to begin breaking in late summer or autumn with cautious drops in rates for short-term credit vehicles to be followed by cuts in the symbolically important Lombard and discount rates, now at record levels.

On the drawing boards for at least 10 years, the Great Whale project, in the area of the Grande Baleine, or Great Whale River, which empties into Hudson Bay 750 miles (1,200 kilometers) north of Montreal, entails building dikes and dams, roads and airports, diverting four rivers and siphoning an area slightly larger than Rhode Island, where up to 10,000 Cree Indians and 5,000 Eskimos live.

RATES: Bundesbank Holds Line

(Continued from first finance page)

that tax increases are inflationary and suppress badly needed entrepreneurial incentives. "You can't just write out a prescription, raise taxes and finance everything that way," he said in the interview.

to begin breaking in late summer or autumn with cautious drops in rates for short-term credit vehicles to be followed by cuts in the symbolically important Lombard and discount rates, now at record levels.

Euromarkets At A Glance

Table with columns: Eurobond Yields, Weekly Sales. Includes sub-tables for Labor Rates, U.S. Treasury Bonds, U.S. Consumer Rates.

MUTUAL FUNDS

Table with columns: Bid Ask, Bid Ask. Lists various mutual fund names and their prices.

PRESTIGE LUXEMBOURG 20, Boulevard Emmanuel Servais L-2535 Luxembourg. AVIS AUX ACTIONNAIRES. Messieurs les actionnaires sont convoqués par le présent avis à L'ASSEMBLÉE GÉNÉRALE DES ACTIONNAIRES...

INTERNATIONAL BusinessWeek. This week's topics: How Bad For The Reichmann's? A Winning U.S. Industrial Policy. Will Guangdong Be China's Model? IBM's Wonder Woman Of Media. Ross Perot For President?

INTERNATIONAL BusinessWeek International. Now available at your newsstand! BusinessWeek International 14, av d'Ucluy, CH-1006 Lausanne Tel. 41-21-617-4411

Herald Tribune. LIVING IN THE U.S.? NOW PRINTED IN NEW YORK FOR SAME DAY DELIVERY IN KEY CITIES TO SUBSCRIBE, CALL 1-800-882-2884 (IN NEW YORK, CALL 212-752-3890)

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, March 27.

Main table containing stock market data with columns for symbol, price, volume, and change. Includes sub-sections A through O.

(Continued on next page)



WORLD STOCKS IN REVIEW

Amsterdam Amsterdam stocks slipped last week, hurt by underlying fears of interest rate rises and developments elsewhere in Europe. The CBS all-share index closed Friday at 203.8, down 1.8 points from the previous week. Equity volume for the week totaled 2.3 billion guilders, down from 2.9 billion the previous week. Analysts at Kempen & Co. said they expected higher interest rates would send prices lower this week.

Milan Italian share prices fell during a week of slow trading. The MIB index fell 2.88 percent, closing at 1,008 points on Friday. The MIB hit a new low for the year, at 978, on Thursday. Traders said the market continues to reflect uncertainty ahead of elections on April 5 and 6 and about the real size of the public deficit. Pirelli SpA rose 0.15 percent, to 1,265 lire, after it announced a new corporate plan.

London Prices fell for the fourth straight week as political uncertainties dragged the market down. Opinion polls that pointed to a general election win for the Labor Party, along with mixed economic data, made traders nervous. The Financial Times-Stock Exchange 100 share index fell 8.7 points, closing at 2,447.9. The FT-30 index fell 1.6 points, to 1,914.9. The Lomro conglomerate fell 14.7 percent after selling one-third of its Metropole Hotels subsidiary to a Libyan state-owned investment company. Traders were not impressed by the company's statement about its prospects.

Singapore Prices ended slightly higher in light trading last week. The Straits Times industrial index gained 2.95 points, ending at 1,438.76. Volume rose 27.5 percent, to 78.9 million shares. Tokyo Prices plunged to a five-year low Friday because of concerns about the slowing Japanese economy. The Nikkei Stock Average ended Friday at 19,636.99 yen, down 548.10 yen, or 2.7 percent, from the previous week. The close marked the lowest level for the average since Feb. 16, 1987. Average daily volume fell to 274.6 billion yen from 433.1 billion yen the previous week.

Zurich Prices closed lower, although industrial and chemical stocks were in demand. The Swiss Performance Index fell 10.15 points to close at 1,133.3 points on Friday. Banks and insurance companies were hurt by the rise in domestic interest rates. Dealers said they expected similar movements this week. UBS fell 90 Swiss francs to 3,690 francs; Swiss Banking Corp. slipped 6 francs, to 293 francs, and Credit Suisse fell 50 francs, to 1,920 francs. Ciba-Geigy fell 30 francs, to 3,410 francs, on profit-taking.

Electronic Trading Takes Off in Portugal

LISBON — Portugal's computer-based share trading system has performed well during its first six months of operation and is proving a strong rival to open-outcry trading on the Lisbon and Oporto stock exchanges, brokers have said. So far, the system has accounted for 18.6 percent of transactions on the exchanges, they said. But the daily volume it handles in terms of shares has eclipsed that of the two regional exchanges, where 170 companies are quoted. José Martins, a broker at Correira Independente, said the 12 companies that have joined the continuous market have seen a steady rise in volume of trade in their shares. Another broker, Pedro Caldeira, said the percentage of share deals conducted on the continuous market was nearly 40 percent, excluding portfolio adjustments within large holding companies that do not represent a real change of ownership. More than 16 million shares, worth 31 billion escudos (\$217 million), have changed hands on the Interbolsa system since it began Sept. 16. Mr. Caldeira said about 400 million to 500 million escudos' worth of shares changed hands daily on the continuous market. Brokers said they expect volume to double when seven more stocks join in the next six weeks, including Banco Espírito Santo & Comercial de Lisboa SA.

AMERICAN EXCHANGE OPTIONS

Table with columns: Option & price, Calls, Puts. Lists various American exchange options with their respective prices and trading volumes.

BANK: Jacques Attali Gives His Fledgling Institution a High Profile

(Continued from first page) Mr. Attali pushing the bank to lead in the range of 2 billion to 2.5 billion Ecu in its second year, the strains will only multiply, according to bank insiders. "Since the bank's focus is on the private sector, the main problem we have is finding a client, a manager or owner of a company who can take a decision," said Tomas Parizek, who represents Czechoslovakia and Hungary on the bank's board. After all, even comparative decision by the President Francois Mitterrand of France. He has shocked many by straying far from his supposed patch, proposing everything from a swap of Soviet debt for Soviet nuclear weapons, to expanding the Group of Seven, the collective of the seven largest industrial nations, to become the G-8, with the inclusion of Russia. Mr. Attali, whose term as president runs for four more years, shows little sign of sparing the riches among his 55 shareholder nations his wisdom. On the other hand, many who have worked with him closely at the bank detect some changes. Mr. Sarcinelli says that in the bank's first year he himself has grown grayer "and Jacques Attali has become a more thoughtful banker." Some industrial countries had voiced reservations about the selection of Mr. Attali to head the bank, uncomfortable as they were with his Socialist background, his lack of administrative and banking experience, and his reputation for business. When he became clear Mr. Attali would lead the bank, they insisted on checks to his power and perceived preference for government intervention. Among them are the mandated 60 percent focus on the private sector, and strict limits on lending to what was then the monolithic Soviet Union. A strong, and with 23 members, unwieldy large board was to be another check on Mr. Attali. "In the beginning I think Jacques Attali read the articles of agreement, and the part that said, 'The president serves under the board,' I think he skipped over that part," said William Curran, the bank's U.S. director. Mr. Curran and others insist, however, that after an initial rocky period relations between the board and Mr. Attali have settled into what one calls a "constructive" pattern. Although the bank has been quite successful in showing money out the door and setting targets at multiples of its first year's funding commitments, it remains to be seen whether the far thornier tasks of getting that money back and of actually achieving an impact will occur. "The bank is under a lot of pressure from the top which relates to the president's ambitions and his desire to create a high profile institution," says one bank director. Those pressures have been a mixed blessing. The EBRD's Mr. Freeman, for instance, sniffs at the performance of the World Bank, where the typical time it takes to prepare and approve a project is two-and-a-half years. "In that amount of time these countries have had a revolution and a half," he said. On the other hand, some observers inside and outside the bank wonder if in its otherwise laudable haste in the weeks of problems-wasted funds via poorly designed and monitored projects. The point is especially germane in the countries of the former Soviet Union, where funding targets are high and the capacity of the system to handle them remains low. An example of how frustratingly slow progress can be is the EBRD's large technical assistance program. Originally technical assistance was not a part of the bank's mandate. It was Mr. Attali who saw the need to fund such things as training programs, and who raised 100 million Ecu to accomplish the task. "The technical assistance needs are immensely much greater than what was thought in the beginning," said Mr. Ljunghe, the finance vice president. With privatization, and indeed the private sector, still in its infancy in most of the EBRD's borrower nations, it has also been difficult for them to entice Western banks and companies to invest alongside the EBRD. Its so-called catalytic role has had to rely heavily on extending to would-be investors the bank's own preferred creditor status. That is something which the World Bank, for instance, has always been reluctant to do for fear that it could damage its triple-A credit rating. "You can't fish in a thin stream without bait," said Mr. Freeman, who conceded that the European Bank had resorted to extending its preferred status on "just about everything."

NASDAQ NATIONAL MARKET

Table with columns: OTC Consolidated trading for week ended Friday, March 27. Lists various NASDAQ national market options with their respective prices and trading volumes.

CHICAGO EXCHANGE OPTIONS

Table with columns: Option & price, Calls, Puts. Lists various Chicago exchange options with their respective prices and trading volumes.

ESCORTS & GUIDES

Advertisement for Belle Epoch, Mercedes, and International Escorts, listing services and contact information.

INTERNATIONAL CLASSIFIED

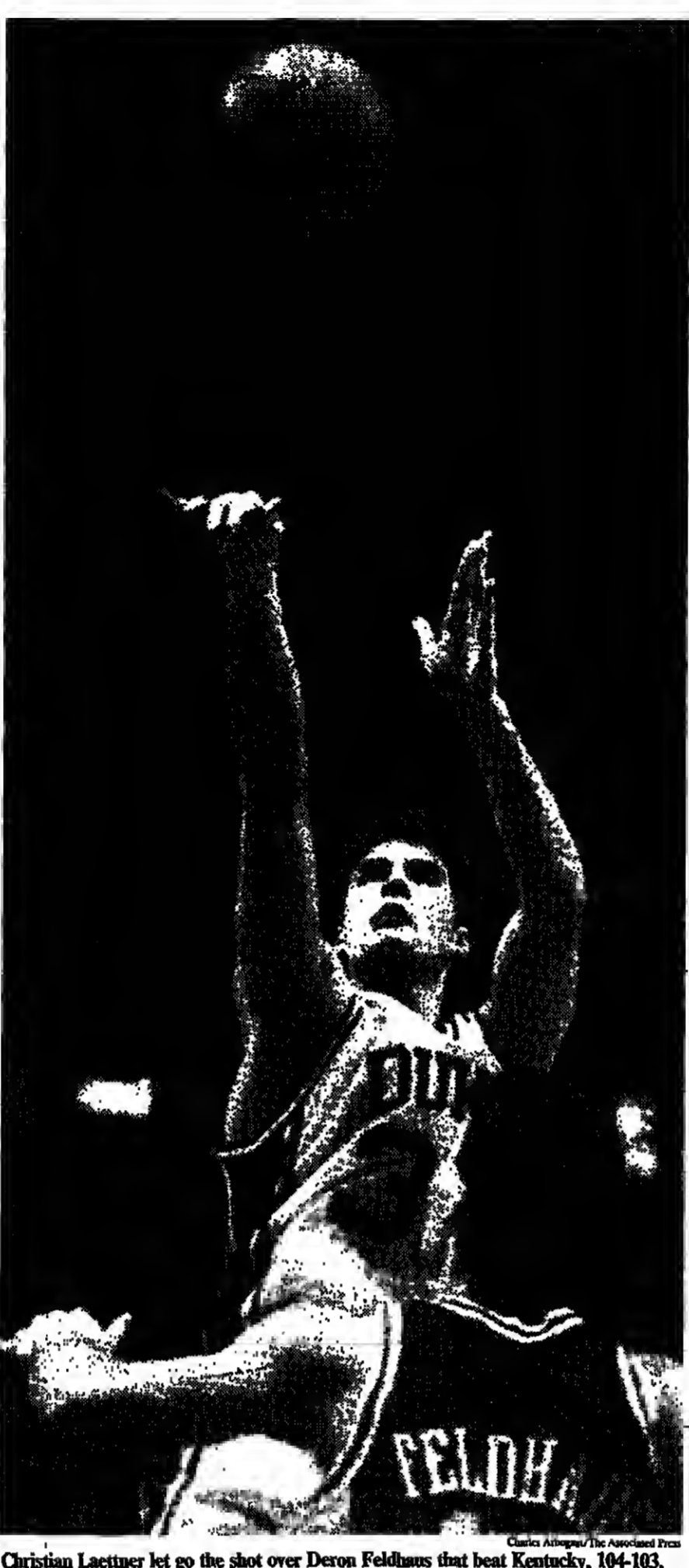
Advertisement for various international classified services, including escorts and guides, with contact details.

MONDAY SPORTS

BASKETBALL

French Reign Ended By Swiss as Czechs Fall to Americans

Compiled by Our Staff From Dispatches
France kissed the Davis Cup goodbye Sunday when Thierry Champion proved unequal to the role of national hero and lost in four sets to Jakob Hlasek in the first of the reverse singles.



Christian Laettner let go the shot over Deron Feldhaus that beat Kentucky, 104-103.

Cincinnati Gains Final Four With Romp of Memphis St.

Compiled by Our Staff From Dispatches
KANSAS CITY, Missouri — Powered by the play of Herb Jones and Nick Van Exel, Cincinnati defeated Memphis State for the fourth time this season, 88-57, to win the Midwest Regional on Sunday and advance to the Final Four of the National Collegiate Athletic Association tournament for the first time since 1963.

Laettner's Overtime Jump Shot For Duke Caps a Perfect Game

By Steve Berkowitz
Washington Post Service
PHILADELPHIA — Senior center Christian Laettner ended one of the greatest performances in National Collegiate Athletic Association tournament history with one of the greatest shots in NCAA tournament history, a 16-foot, turnaround jumper as time expired that gave Duke a 104-103 overtime victory over Kentucky in the East Regional final.

SIDELINES

IOC Says South Africa in Olympics

JOHANNESBURG (AP) — South Africa will participate in the Barcelona Olympics this summer, the director-general of the International Olympic Committee said Sunday.

Russians Win World Skating Titles

OAKLAND, California (UPI) — Marina Klimova and Sergei Ponomarenko of Russia won the dance competition at the World Figure Skating Championships, adding that title to their Olympic gold medal by outskating compatriots Maia Usova and Alexander Zinin, who won the silver, and Oksana Grischuk and Evgenii Platov, who got the bronze.

For the Record

Top-seed Monica Seles has sprained her wrist and will not compete in this week's Family Circle Magazine Cup tournament, officials said Sunday. Seles was injured while riding her bicycle in Florida on Saturday and will wear a soft cast for three to four days.

Forsbrand Wins by 1 Over Senior in Florence

FLORENCE — Defending champion Anders Forsbrand rallied from three strokes back with rounds of 67 and 66 Sunday to win the Florence Volvo Open at 13-under-par 271. The Swede, who finished second in last week's Portuguese Open, earned \$64,500 in the rain-plagued tournament.

Indiana Beats UCLA by 27 Points

By Michael Martinez
New York Times Service
ALBUQUERQUE, New Mexico — It's a Hoosier thing. It's just that the Indiana Hoosiers got it. They just took them more than four months.

Vertical advertisements on the left margin, including 'Yacht' and 'NHL Talk'.

Cartoon illustration of a person's face at the bottom left corner.

Large advertisement for AT&T USADirect service, featuring the headline 'OUT OF YOUR ELEMENT?' and a detailed table of international dialing numbers.

